



California Regional Water Quality Control Board

San Diego Region



Terry Tamminen
Secretary for
Environmental
Protection

9174 Sky Park Court, Suite 100, San Diego, California 92123-4340
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<http://www.swrcb.ca.gov/rwqcb9>

Arnold Schwarzenegger
Governor

Item 14
Doc. No. 7

June 9, 2004

CERTIFIED MAIL-RETURN RECEIPT REQUESTED
No. 7003 1680 0000 7393 6339

Ms. Deborah Van Huis
Project Manager
KB Home Coastal Inc.
12355 El Camino Real, Suite 100
San Diego, CA 92130

In reply refer to:
IC:14-1033.02:kned8

Dear Ms. Van Huis:

**SUBJECT: SETTLEMENT IN LIEU OF LIABILITY, COMPLAINT NO. R9-2004-0116
FOR ADMINISTRATIVE CIVIL LIABILITY FOR MANDATORY
MINIMUM PENALTY UNDER WATER CODE § 13385, VIOLATION OF
ORDER NO. 2001-96, NPDES PERMIT NO. CAG919002**

**FACILITY: KB HOME COASTAL INC., MAR LADO PUMP STATION
CONSTRUCTION DEWATERING, 401 FOUSSAT DRIVE, OCEANSIDE,
CALIFORNIA**

As you know, on April 23, 2004, the Executive Officer issued Complaint No. R9-2004-0116, Administrative Civil Liability with Mandatory Minimum Penalty, against KB Home Coastal Inc. for violations of effluent limitations contained in Order No. 2001-96, NPDES Permit No. CAG919002, *General Waste Discharge Requirements for Groundwater Extraction and Similar Waste Discharges from Construction and Remediation Projects to Surface Waters Within the San Diego Region, Except for San Diego Bay*. The violations were reported in the January 2004 Monthly Monitoring Report for discharges of extracted groundwater from the Mar Lado Pump Station Construction Dewatering, located at 401 Foussat Drive, Oceanside, California.

On May 26, 2004, KB Home Coastal Inc. provided written documentation disputing technical aspects of the allegations. The documentation provided evidence that discharges to a surface water did not occur at the time the monitoring was conducted. At the same time, KB Home Coastal Inc. offered to settle the matter. The settlement offer consists of KB Home Coastal Inc. paying \$5,000 to be deposited in the Cleanup and Abatement account administered by the State Water Resources Control Board. The settlement is without admission of liability and would resolve all liability alleged and/or that could have been alleged in Complaint No. R9-2004-0116.

I have determined that it is in the best interest of the San Diego Regional Water Quality Control Board (Regional Board) to resolve the matter of these violations by accepting your settlement offer. The Regional Board hearing scheduled for June 10, 2004 will be postponed to allow for a 30-day comment period to solicit public input on the settlement of this matter.

California Environmental Protection Agency

Ms. Deborah Van Huis
KB Home Coastal Inc.
Mar Lado Pump Station Dewatering

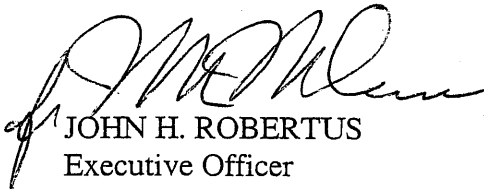
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June 9, 2004
WDID # 9 000001033

The Regional Board will consider acceptance of the proposed settlement during their regular scheduled meeting on August 11, 2004. This meeting will begin at 9:00 a.m. and will be held at the Regional Board Meeting Room, 9174 Sky Park Court, Suite 100, San Diego California. An agenda will be send to you towards the end of July that includes copies of all comments received, if comments were submitted.

If you have questions regarding this matter, please contact Ms. Sabine Knedlik at (858) 467-2725, or by e-mail at kneds@rb9.swrcb.ca.gov.

Respectfully,


JOHN H. ROBERTUS
Executive Officer

cc: Mark Alpert, Regional Board

JHR:mpm:jrp:sk

File: 14-1033.02

C:\My Documents\UCU Facilities\Facilities 14-000\KB Home Settlement 04.doc
S:\Industrial Compliance\Sabine\KB Home Settlement 04.doc